

## **BUSINESS & FINANCE OFFICE**

1931 Delta Road - Unit erzit - Center, FII 41710 9-9-686-90-0 - Fax: 969-1-7-0620 - Feltatedu

November 7, 2018

Attn: Taylor Thrush – Committee Clerk House Financial Liability Reform Standing Committee tthrush@house.mi.gov

SUBJECT: House Bill 6378; Sponsor: Rep. Scott VanSingel

I am writing to concur with the language proposed in the revised version of House Bill 6378, which has been introduced to address issues brought about by passage of Public Act 328 of 2018. That legislation passed to address issues of community college reporting and/or contributing retirement benefits earned by certain part-time student employees.

The Michigan Community College Association, of which Delta College is a member, felt that we could support the language proposed in this new, revised legislation for the following reasons:

- 1. The look-back and liability period has been more clearly defined and is limited to 4 years in length;
- 2. Late fees have been reduced; and
- 3. Public Act 328 clarified the reporting of students, including Federal Work Study (FWS), for the future.

In working with the Office of Retirement Services (ORS), Rep. VanSingel has been able to draft language that was mostly consistent with MCCA's primary considerations. These changes will revise the method to calculate unfunded actuarial accrued liabilities and will reduce community colleges' liabilities and late fees.

The revisions to H8 6378 will be considered at your House Financial Liability Reform Committee meeting on Thursday, November 8, 2018. Although I am unable to attend the hearing, I wanted to let the Committee know that Delta College is supportive of this revised language as an approach to resolve the reporting and contribution amounts, which have resulted from passage of Public Act 328, signed into law on July 2, 2018.

Please contact me directly if you have any questions or concerns. Thank you.

Sincerely,

Sarah Dufrene
Sarah Dufrene

Vice President of Business & Finance

989-686-9386

sarahdufresne@delta.edu